National Credit Union Administration

Report of On-Site Information Systems Vendor Visit

re:Member Data Services, Inc.

July 20 - 23, 1998

re:MEMBER DATA SERVICES, INC.

ISV Review - Executive Summary

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Overall, re:Member Data Services, Inc. (rDS) has demonstrated it is making progress towards Y2K readiness. In terms of NCUA's 5-phase repair approach, it appears to be at the following point:

- Awareness – rDS is aware of the Y2K implications for its clients and has been proactively preparing necessary solutions. All members of its management team have, to some extent, been involved in meetings or reports discussing critical Y2K issues.

- Assessment –rDS is past the assessment stage for its proprietary cuStar product. Assessment of the information technology for the service center has informally been completed over the past year. However, a formal assessment is currently in progress.

- Renovation - rDS is upgrading or replacing hardware, software, and telecommunication equipment it determines is not Y2K ready in its service center. rDS is also very involved in working with its in-house customers to assist in preparing their information technology facilities for the Year 2000. The cuStar Release 8.0 is stated to be Y2K ready when operated on Y2K ready Digital hardware and operating system.

- Validation and Testing – Beta testing for cuStar Release 8.0 was completed in March and its full release performed in April and May. Formal test scripts are being developed for proxy testing of the cuStar product on a test system. Ten credit union coordinators will participate in testing in September. Detailed formal test plans for the rDS service center are in progress and are dependent on completing a formal assessment.

- Implementation – The Y2K version of cuStar is now implemented in all but four of the 104 client credit unions.